

Africa Has Bright Future Despite Challenges

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DESPITE the challenges facing Africa, its natural resources can play an important role in the development. This was expressed recently in Brussels by Chairman of the Millennium Investments Holdings, Mathews Hamutenya. He was speaking during the Crans Montana Forum.

The theme of the Forum was 'The South-South Cooperation and Growing Role of Africa.'

The Crans Montana Forum is a Swiss International Organisation created in Crans Montana (Switzerland) in 1986 with the support and the involvement of Swiss authorities.

He noted that Africa is endowed with many natural resources including oil, gas, gold, platinum, diamonds, zinc, copper and iron ore.

"In its own right, Namibia is one of the largest producers of uranium and quality value diamonds. But it pains me to experience on a daily basis, the sharp contrast between Africa's wealth in natural resources and the poverty faced by the majority of its citizens. The question about why Africa is so poor amidst so much wealth in natural resources continues to dominate debates about Africa's economic path among policymakers and academics alike," Hamutenya said.

He said foreign investors from both old established economies and the emerging economies have not done much to assist Africa to make use of its mineral wealth to improve the socio-economic conditions of its people.

"What is clear to me is the reason why Africa is poor amidst mineral wealth. Africa only draws benefits from its natural resources at the beginning of the value chain, the point where only minimal or negligible financial benefits are actually drawn as you move up the value chain. Unfortunately, Africa seldom moves any further from the beginning of the chain," Hamutenya said.

He said the fact that Africa's natural resources are beneficial more from its natural resources and its people therefore remain in poverty despite the presence of so much wealth.

Hamutenya said he believes that the process of generating more benefits from natural resources in Africa should begin with the quality of leadership in Africa, both at state level and within the private sector.

"We need more and more leaders who are prepared and genuinely willing to implement policies, which support in tangible measures, greater domestic value addition to our natural resources."

Africa also needs to develop its human resources capacity with a view to use such internal capacity to build a strong industrial base. He said Africans cannot continue to blame others for the lack of value added to its resources fifty years after independence.

"It is disheartening at times to listen to politicians complaining endlessly about the lack of value addition to natural resources locally without doing anything significant to educate and train young Africans in the fields, which can drive industrialisation.